Public Service Motivation Differences Between Permanent and Contract Employees in The Local Government

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Abstract. This article examines the difference of public service motivation (PSM) at street-level bureaucracy in Indonesia. Focus of this study is to review the difference of public service motivation between permanent and contract employees in sub-districts of Tanjungpinang, Kepulauan Riau. The dimensions and indicators of Perry's (1996) measurement of PSM are used to analyze that difference. Independent sample t-test has employed to 129 government employees and 74 non-government employees in Tanjungpinang. Unlike those in developed countries which showed that PSM of its civil services is higher than PSM of contract employees, the findings of this research prove there are no differences between PSM of permanent and contract employees in Indonesia. It rejects the conclusion of foreign scholars suggesting the PSM construct was viable for international environment.

Keywords: public service motivation, permanent and contract employees

Introduction

This paper discusses the difference of public service motivation (PSM) among civil services in Indonesia. Focus of this paper is to examine the distinction of permanent and contract employees working at the street-level bureaucracy in the local government. Generally, PSM can be called the motives of public servant to work with the spirit of serving for the nation and the people. This motives differ between public and private employees (Perry and Wise, 1990; Gabris and Simo, 1995; Houston, 2000). Frederickson and Hart (1985) showed that employees in the public sector have a spirit to serve for the public and patriotism for the nation. This spirit is a part of intrinsic motivation and altruistically owned by the apparatus of public sector. In its development, the altruistic value which forming the basis of attitude and behavior of bureaucrats is called PSM (Perry, 1997; 2000; Vandenabeele, 2007).

PSM has become prominent topic in the study of public administration. At least, since a last few decades, the readability of researchers in this field is rising (Perry and Hondeghem, 2008a; 2008b; Perry et al., 2010; Perry, 2014). The development of PSM was originally inseparable from the work undertaken by some scholars (Perry and Wise, 1990; Crewson,1997). Rainey studies (1979; 1982; 1983; 2003) found that employees in the public sector reflected a negative perception for the material reward and gave a positive attention for the spirit to serve and other altruistic behaviors. This study was supported by the findings of Wittmer (1991) which show that managers in the public sector have differences with those in private sector and hybrid organizations in responding the value and compensation. The result of Wittmer’s (1991) research revealed that the economic rewards are main motivator for managers in the business sector, while managers in the public sector and hybrid organizations response relatively lower to the economic incentives.

At the international level, the study conducted by experts shows that PSM viable for cross-environment or country. Crewson’s study (1995) on federal government and private employees in United States between 1980 and 1990 suggested that government employees have better motivation and performance than employees in the private...
sector. Brewer, Selden and Facer II (2000) also revealed that employees in the public sector have norms and strong emotions to serve as government officials. Motivation and dedication are considered to attract certain individuals to serve in the public sector and help realize a consistent work behavior for public interest. It was supported by the findings of Bertelli (2006) on the federal government employees in the United States. According to Bertelli (2006), intrinsic motivation was more encouraging for federal employees to choose a career as public servant and provided maximum performance as public official. In Europe, the study employed by Vandenabeele et al. (2004), Vandenabeele et al. (2006), Leisink and Steijn (2009), Ritz (2009), Vandenabeele et al. (2010) were consistent with the findings in the United States. Studies conducted by several scholars in South Korea also confirmed the study of American and European scholars (Choi, 2001; Kim, 2006; Kim, 2009). In Australia, the study of Taylor (2007; 2008) also proved the same conclusions. In addition, the study conducted by Liu et al. (2008), Liu (2009), Liu et al. (2014) showed similar findings. In general, a trend that occurred in European, South Korea, Australia, and China showed that employees in the public sector have highly motivated to help public service delivered.

Empirically, nowadays, Indonesia has become the country with the largest number of public employees in the world. In 2005, the number of civil service in Indonesia has reached 3.74 million people or equivalent to 1.7% of the total population. Meanwhile, compared to the New Order era (1966-1998), the number of civil service was decreased. In the New Order, the ratio of civil service was 2.1% of the total population (Tjiptoherijanto, 2007: 32). In general, it is a global phenomenon because some countries had also decrease the number of public employee, for instance India (1.2%), Pakistan (1.5%), Filipina (2.1%), and Vietnam (3.2%) (Heller and Tait, 1983; Schilavo-Campo, 1998; World Bank, 2003). Data from the Central Bureau of Statistics (2015) noted that in 2014, the number of civil service in Indonesia has reached 4.4 million people or 1.8 from the total population of Indonesia. However, in 1985 there were 1.7 million employees in the local government or 55% of total employees working for local governments (province or regency or city) (King, 1988: 252). Subsequently, in 2014, there were 3.5 million employees in the local governments of Indonesia, equivalent to 80% of the total civil service (Central Bureau of Statistics, 2015).

Post-New Order, Indonesia began to adopt the principle of merit system in public sector personnel management. In the process of recruiting candidates for civil servants (Calon Pegawai Negeri Sipil, CPNS), since 2006 the central government began to implement the open test for any applicant who wants to be a civil servant to all government agencies in Indonesia, both central and local governments (Prasojo et al, 2007). However, to appreciate the devotion of temporary employees who had been long-serving, government provides the opportunity as permanent employees for the contract employees through the scheme of Category 1 (K1) and Category 2 (K2). It is stipulated in Government Regulation No. 48 of 2005 about Appointment of Contract Employees as a Permanent Employees. The issue raised at this time is related to the performance and motivation of contract and permanent employees. Some studies showed that the performance and motivation of contract employees is lower than permanent employees (Nugroho, 2004) and lack of accountability (Baharuddin, 2015) and service quality (Hardiyansyah, 2012; Yudiatmaja et al, 2017). Yet, there were other studies which prove that contract employee’s performance was higher than permanent employee’s (Ahmad dan Baharuddin, 2011; Octarina, 2013).

This research is important to understand human resources management in Indonesian public sector which has contextual differences with other developed countries. Outside the study conducted in the United States, Europe, South Korea, and China, PSM should be tested in the diverse socio-cultural context to gain an overview of PSM from a different perspective (Vandenabeele et al. 2006; Kim and Vandenabeele, 2010; Kim and Kim, 2016). The study of PSM in Indonesian context is still very limited. However, based on the results of the literature search, there are three studies examining PSM in Indonesia. Firstly, a study conducted by Komalasari et al. (2009) on the effect of PSM and organizational citizenship behavior (OCB) to performance of government organization in East Jawa Province. The findings in Bangkalan Regency, Pacitan Regency, Probolinggo Regency, and Kediri Regency showed that in government organizations, the level of OCB was lower than PSM. Further results from this study indicated job satisfaction and PSM have positive effect...
on organizational performance, while the OCB has not had a significant effect on organizational performance. Secondly, Yanti (2012) tested PSM and job satisfaction of permanent and contract employees working in health sector and local governments in Jambi. The results of this study revealed that PSM of permanent employees have higher motivation than contract employees. It is concluded that PSM affect employee’s satisfaction. Third, Syamsir (2014) examined the relationship between PSM and socio-demographic variables. By referring to the case in Padang, Syamsir (2014) traced that PSM of civil services in Padang has lower motivation than PSM of civil services in the United States and Australia. It contributed to the study of PSM to focus on analyzing the socio-demographic factors, such as age, sex, marital status, educational level, income, and ideology influencing PSM. This study stated that PSM has correlation with sex, status, and income. Meanwhile, age, education, and ideology are only partially appertained to PSM.

The study of PSM can be categorized into six themes, which are construct and measurement, impact, antecedent, outcomes, organizational system, and its relationship with the type of other motivations (Perry and Hondeghem, 2008a; Kim and Vandenabeele, 2010). This study examined PSM in the construct and measurement themes. It also attempted to fill the gaps in our knowledge about PSM in two facets. At least, there are two novelties expected from this research; first, it sought to examine differences of PSM in two categories of public sector employees, permanent and contract employees, which has not been widely analyzed by the scholars; second, this research focused on PSM at the lower level employees which also has not received broadly attention from the researchers.

Based on the above description, the purposes of this study are to compare and test PSM differences between permanent and contract employees working on sub-districts [kelurahan] in Tanjungpinang, Kepulauan Riau. Question to be answered from this study is how the comparison of permanent and contract employees’ PSM. Furthermore, this study also examines whether there is differences between PSM of permanent and contract employees. To answer these questions, this paper is divided into several sessions. Before discussing the differences between PSM of permanent and contract employees, it presents a review of the literature regarding PSM and street-level bureaucracy. Discussion about the distinctions and differences of PSM between permanent and contract employees will be presented after the section of the literature review.

PSM theory is constructed from motivational theories. Motivation is a general theory (Behn, 1995), while PSM is a more specific theory derived from the theories of motivation (Perry and Hondeghem, 2008a). The scholars have revealed since long time ago that intrinsic and extrinsic factors become substantial variables affecting employee motivation (Maslow, 1954; Adams, 1965; Deci, 1976; Bandura, 1977; Latham and Locke, 1979; Sansone and Harackiewicz, 2000; Frey and Osterloh, 2002; Latham, 2007; Kanfer et al, 2008; Thomas, 2009). Intrinsic variables is a variable of driving force comes from within an employee, such as dedication, desire to be useful to others, and interest in public issues. Meanwhile, extrinsic variables refer to the variables which come from outside employees, generally the economic factors, for instance incentive, compensation, salary, and various other rewards.

Conceptually, there is no accepted definition of PSM in general. According to Perry and Wise (1990), PSM is the tendency of an individual to respond to motive founded uniquely and usually revealed in the public institutions. Some scholars use the definition put forward by Perry and Wise (1990), while others define it in a different perspective. Crewson (1997) for example, wrote that PSM is individual motivation for serving—not included economic orientation—in order to benefit for the society, orientation for helping others, and spirit to obtain intrinsic achievement. According to Brewer and Selden (1998), PSM is the motivational force inducing a person to provide a useful service to others. Rainey and Steinbauer (1999) defined PSM as an altruistic motivation to serve people interest, nation, and humanity. Meanwhile, Vandenabeele et al. (2006) revealed that PSM is beliefs, values, and attitudes which does not put their own interests or group interests, promote wider public interests through its interaction with the public. Kjeldsen (2012) stated that PSM refers to broadly pro-social motivation which encourages a person to take action to help others and communities.

Perry (1990) may be cited as the drafter of PSM theory because Perry is not only the...
first person to define PSM, but also the first person to translate PSM theory into the scale and specific measurements. Using 40 item statements, Perry (1996) formulated PSM into six dimensions including: (1) attraction to policy making, (2) commitment to the public interest, (3) civic duty, (4) social justice, (5) compassion, (6) self-sacrifice. The formulation of PSM dimensions was obtained by Perry (1996) after reviewing the Frederickson and Hart’s (1985) article, concluding that the primary motivation of public employees is the patriotism of benevolence. With the exception of self-sacrifice, these motivations related to the three categories of motivation as identified by Perry and Wise (1990), such as rational, norm-based, and affective. After employing the test to confirmatory factor analysis and reliability testing, Perry (1997) simplified PSM statement into 24 items and dimensions of PSM into four sub-scales, namely; (1) attraction to policy making, (2) commitment to the public interest, (3) compassion, and (4) self-sacrifice.

Besides Perry (1990; 1997), some scholars also expand the dimensions of PSM. Brewer et al. (2000) classified PSM into four conceptions of samaritan, communitarian, patriot, and humanitarian. Samaritan is a willingness to serve the public interest. Communitarian refers to behavior driven by a desire to carry out tasks and public services. Patriot is an attitude and behavior to protect, advocate, and willingness to act for public goodness. Humanitarian is an attempt to achieve social justice in society. Meanwhile, DeHart-Davis et al. (2006) categorized PSM into three dimensions, namely compassion, attraction to policymaking, and commitment to public service.

In the west, some studies revealed that public sector employees have higher PSM than employees in the private sector. By analyzing the data from the General Social Survey (GSS) 1994, Federal Employee Attitude Survey (FEAS) in 1979, and the Institute of Electronic and Electrical Engineers (IEEE) 1994, Crewson (1997) indicated that intrinsic motivation of employees in the public sector was higher than those in private sector, while extrinsic motivation of employees in public sector was lower than employees in the private sector. Furthermore, Houston (2000) tested PSM using multivariate analysis. Refers to the data from the General Social Survey (GSS) 1994, Houston (2000) revealed 57.4% employees in public sector to pay great attention with useful work (one of dimension of PSM) for many peoples. Then, the findings of Frank and Lewis (2004) confirm previous studies. The study conducted by Frank and Lewis (2004) tried to analyze intrinsic and extrinsic motivations affecting the work effort of public and private sector employees in the United States. From the data analysis, Frank and Lewis (2004) concluded that public sector employees have a higher intrinsic motivation than private sector employees. In addition, Frank and Lewis (2004) also suggested that public sector employees have a greater interest to realize the work effort and passion for helping others.

Buelens and Van den Broeck (2007) examined work motivation differences between public and private sector employees in Belgium. The survey was conducted on 3,314 private employees and 409 government employees. The study found that public sector employees are not affected by extrinsic motivation. Their study concluded that differences in the level of hierarchy have more influence on work motivation than sectoral differences. This study was supported by the findings of Lee and Wilkins (2011) toward the manager of public and private sectors. Lee and Wilkins (2011) tested seven variables of motivation and its relationship with the career choice between public and private managers. The variables are; (1) an opportunity to career development, (2) salary, (3) retirement plan, (4) sense of responsibility, (5) opportunity to share time and togetherness with family, (6) ability to serve the public interest, (7) volunteerism. Lee and Wilkins (2011) revealed variable of career development opportunity, pension plans, and ability to serve the public interest were larger owned by public sector managers. Variable opportunity to share time and togetherness with family and a sense of responsibility more owned by private sector employees. Meanwhile, variable of voluntary participation is more significant for the non-profit sector employees.

Various studies on PSM also showed that PSM has implications for a wide range of dimensions in personnel management. Naff and Crum (1999) found that there was a significant relationship between PSM and job satisfaction, performance, intention to persist, and support for the changes. This findings were supported by several studies which found that there was a close relationship between PSM and performance of public sector organizations (Brewer and Selden 2000; Alonso and Lewis, 2001; Kim, 2005). Correspondingly, Ritz and Waldner
(2011) showed that employees with high PSM will be motivated to improve his career in the public sector. Employees are not only motivated by compensation and desire to get higher positions in the public sector, but they are also driven by several factors, such as motivation from within to get more different and challenge of work, increasing career opportunities, and devotion to the public. Judging from the intention to resign, Morrison's study (2012) toward federal employees in the United States suggested that PSM affected employees' turn-over in the public sector. This study is consistent with Shim et al (2015) indicating that at the level of street-level bureaucracy, PSM can affect retention of public sector employees.

In recent years, using the scale and dimensions of Perry’s PSM (1996), many researchers have tested the antecedent and effect factors of PSM (Perry, 1997, 2000; Choi, 2004; Camilleri, 2006; Castaing, 2006; Camilleri, 2007; Moynihan and Pandey, 2007; Perry et al, 2008; Christensen and Wright, 2011; Vandenabeele, 2011; Kachornkittiya et al, 2012). From the test results, some studies claimed that PSM was viable for any condition and environment (Crewson, 1995; Brewer et al., 2000; Vandenabeele et al., 2004; Bertelli, 2006; Leisink and Steijn, 2009; Vandenabeele et al., 2010). It means, when tested in a variety of social, economic, political, and different dimensions, PSM can be revealed. In addition, when compared by sector, it will be found that PSM of public sector employees is higher than PSM of private sector. Meanwhile, other studies indicated that the PSM was not fully in accordance with the socio-political, economic, and different cultures (Grindle, 1997; Benz, 2005; Buclens and Van den Broeck, 2007; Ritz and Brewer, 2013; Syamsir, 2014; Van de Walle et al, 2015). In other words, the dimensions of PSM are not always found in every condition and situation of different environment. There was no significant differences between PSM of public sector employees and PSM of private sector employees in some situations.

Based on the description in the background above, the hypotheses to be tested in this study consist of two parts, namely:

**H1** PSM of permanent employees is higher than contract employees

**H2** There is no significant differences between PSM of permanent and contract employees in the street-level bureaucracy

**Research Methods**

This research was conducted by survey approach. Questionnaire was used as a tool for collecting the data. The population in this study was all permanent and contract employees working in 18 sub-districts in Tanjungpinang. The sample size was chosen using the Slovin’s formula (Tejada and Punzalan, 2012) with a tolerance limit of 5%. The population of this study was 282 participants. The samples were taken by simple random sampling method. These samples included 203 peoples, consisting of 129 permanent employees and 74 contract employees.

The questionnaire was drawn up which refers to the dimensions of PSM proposed by Perry (1996), which includes; attraction to policy making (3 items), commitment to the public interests and public duties (14 items), compassion (8 items), self-sacrifice (8 items). The questionnaire of this study used an enclosed questionnaire with five alternative answers prepared by Likert's scale. The rating scale consists of; (1) strongly disagree, (2) do not agree, (3) neutral, (4) agree, (5) strongly agree.

Before testing the PSM’s difference, researchers will calculate PSM mean of permanent and contract employees by using the index number. To determine a judgment on the results of the calculation of index number, determinants tables was used with a range of 0.80 interval. Interval 1.00-1.80 (very low), 1.81-2.60 (low), 2.61-3.40 (medium), 3.41-4.20 (high), 4.21-5.00 (very high). Data were analyzed using T-test (independent sample T-test) with the help of statistical package for the social sciences (SPSS) 20 to test the hypotheses of this study.

**Discussion the Differences of PSM**

Table 4.1 illustrates average PSM differences of permanent and contract employees by using the index number. From table 4.1, it was known that PSM of contract employees is higher than permanent employees. The Calculation of PSM average for each category of employees showed that there were different grades of PSM between permanent and contract employees. The results of calculation of average values for each category of PSM showed that PSM of
permanent employees (3.96) was lower than contract employees (4.03). In other words, PSM of contract employees was higher 0.07 than PSM of permanent employees.

From Table 4.2, it shows that the results of count of permanent and contract employees at the street-level bureaucracy is equal to 0.991. Based on the hypothesis formulated test criteria, if $t_{count} > t_{table}$ then the hypothesis is rejected and if $t_{count} < t_{table}$ then the hypothesis is accepted. Value of $t_{count} = 0.991$ and compared with $t_{table} = 1.971$ with df = 201 and significance level of 5% ($p \leq 0.05$), so the hypothesis was accepted. It can be concluded that there is no PSM difference between permanent and contract employees at the street-level bureaucracy in Tanjungpinang administration.

Judging from the average value for each dimension, both permanent and contract employees, it has a value of PSM above 3.50. This data indicates that PSM of employees at the street-level bureaucracy was higher than PSM of employees. The findings of present study followed the study of DeHart-Davis et al. (2006), Taylor (2007), Wright and Pandey (2008), Komalasari et al. (2009), dan Syamsir (2014). However, judging from the average value of each category, PSM of permanent employees was lower than contract employees. The findings differ from the study of Brewer (2003), Frank and Lewis (2004), Houston (2006), Steijn (2008), Yanti (2012) which showed that PSM of public sector employees was higher than PSM of private sector employees. These studies also suggested that there was significant differences between PSM of public sector employees which were higher than PSM of private sector employees. The results of this study also refuted the findings of Bangcheng (2009), Wright and Christensen (2010), Bright (2011) which revealed that there was no relationship between PSM and someone's choice for a career as a public sector employee.

This present study shows that in the context of developing countries, motivation and performance of employees are influenced by socio-cultural factors (Grindle, 1997). This research supports the study of Frank and Lewis (2004), Benz (2005), Buelens and Van den Broeck (2007), Serneels et al (2007), Lee and Wilkins (2011), Syamsir (2014), Van de Walle et al (2015) discussing the importance to consider the context and socio-cultural environment in reviewing PSM at international level. Ritz and Brewer (2013) also mentioned that PSM was strongly influenced by social and cultural conditions. The findings of this study indicated that there were non-PSM factors affecting the motivation of civil services. From a theoretical perspective, this study contributed to the study of PSM. In the context of PSM in Indonesia, there were some scholars reviewing PSM, for instance Komalasari et al. (2009), Yanti (2012), Syamsir (2014), but they did not focus on PSM at street-local bureaucracy in the local government.

### Table 1

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Permanent (N=129)</th>
<th>Contract (N=74)</th>
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<tbody>
<tr>
<td>Attraction to policy making</td>
<td>4.01</td>
<td>3.50</td>
</tr>
<tr>
<td>Commitment to the public interest</td>
<td>3.52</td>
<td>4.38</td>
</tr>
<tr>
<td>Compass</td>
<td>4.43</td>
<td>4.36</td>
</tr>
<tr>
<td>Self-sacrifice</td>
<td>3.87</td>
<td>3.90</td>
</tr>
<tr>
<td>Mean</td>
<td>3.96</td>
<td>4.03</td>
</tr>
</tbody>
</table>

### Table 2

<table>
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<tr>
<th>Levene’s Test for Equality of Variances</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
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<tbody>
<tr>
<td>F</td>
<td>Sig</td>
</tr>
<tr>
<td>.128</td>
<td>.721</td>
</tr>
</tbody>
</table>

Note: p ≤ 0.05
This study indicated that PSM of permanent employees did not have significant differences with PSM of contract employees. It means, both permanent and contract employees have approximately the same motivation. This happened because the motivation of the person to become an employee (whether permanent or contract employee) is due to extrinsic rather than intrinsic factors. The findings were consistent with Nawab’s et al. (2011) research revealing no difference in motivation between government and private sector employees in Pakistan. Public sector employees were less concerned with intrinsic value because it was more driven by extrinsic factors. Meanwhile, private sector employees were more committed to their job than government employees. This result is also consistent with the study of Andersen et al. (2011) in Denmark. Andersen et al. (2011) found that there was no significant differences between PSM of public and private physeraphists. Viewed from every dimension of PSM, Andersen et al (2011) showed that the average of commitment to the public interest dimension of public physeraphists was 1.77 points higher than private physeraphists. Then, private physeraphists have dimension of customer needs orientation was 1.28 points higher than public physeraphists. Compassion of public physeraphists was higher than private physeraphists, but the level of attraction to policy making of public physeraphists were lower than private physeraphists. This study also confirms the findings of Yung (2014) who revealed that PSM of public sector employees in Hong Kong was low because employees were motivated by personal interests, for example certainty and safety, as well as remuneration packages offered.

Conclusions

This study concludes that PSM of permanent employees was lower than contract employees. This study also found that there was no difference between PSM of permanent and contract employees. This research confirms the study employed by Nawab et al. (2011), Andersen et al. (2011), and Yung (2014). However, this study’s findings differ from the study of Rainey (1982), Wittmer (1991), Crewson (1997), Houston (2000), Choi (2001), Frank and Lewis (2004), Steijn (2008), and Yanti (2012). The present study also showed that the concept of PSM is not entirely viable for developing countries, such as Indonesia. This is due to

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Responden</th>
<th>Mean of PSM Public</th>
<th>Mean of PSM Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>DeHart-Davis et al (2006)</td>
<td>274 managers and staffs from 50 states and Washington D.C</td>
<td>3.58</td>
<td>-</td>
</tr>
<tr>
<td>Taylor (2007)</td>
<td>203 public sector employees in Australia</td>
<td>3.50</td>
<td>-</td>
</tr>
<tr>
<td>Wright and Pandey (2008)</td>
<td>518 from 7 public sector organizations (local dan state), employees and managers from 50 states and Washington D.C (city manager, education, health, and human service)</td>
<td>3.62</td>
<td>-</td>
</tr>
<tr>
<td>Komalasari et al (2009)</td>
<td>145 (civil service on 4 regencies government and civil service in the Administration of East Java Province), Indonesia</td>
<td>3.95</td>
<td>-</td>
</tr>
<tr>
<td>Yanti (2012)</td>
<td>451 (permanent and contract employees) in health sector and 357 employees in the City of Jambi Administration, Indonesia</td>
<td>24.39*</td>
<td>23.65**</td>
</tr>
<tr>
<td>Syamsir (2014)</td>
<td>398 (Federal civil services, employees in the Government of Sumatera Barat Province, employees in the Government of Padang City, Indonesia</td>
<td>3.44</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: * Scale used 1-7; ** Not examining PSM of private sector or contract employee
the motivation of individuals to become civil servants affected by various extrinsic factors, for instance salaries and benefits, old age security, and prestige.

This research contributed to the study of public administration in two aspects. First, in the context of street-level bureaucracy, the scholars need to re-examine every dimension contained in the PSM. Secondly, the scholars should consider a wide range of socio-political, cultural and economic dimensions when testing the PSM in the context of developing countries. Limitations of this study lies in the area of research limited at one city, using similar samples, and employees working on subdistricts in local government. In addition, contract employees tested in this study, in the context of Indonesia, cannot be fully equated with private employees in developed countries. Administratively and managerially, in Indonesia after Law No. 5 of 2015 on State Civil Apparatus (Aparatur Sipil Negara) was formulated, both permanent and contract employees have already had many similarities in some aspects, such as workload, salaries, and benefits, as well as other social insurance. Therefore, this study may be opening the horizon to discover a variety of extrinsic factors affecting PSM civil servants, either by using quantitative and qualitative methods. In addition, this study needs to be tested again in larger sample and diverse to obtain valid results for the development of the study of PSM in Indonesia.

In practical terms, the findings of this research can be seen as recommendation for local government to improve the system of recruitment and development of public sector employees. Permanent employees should have higher PSM than contract employees because permanent employees gain larger and clearer allowances and compensation than contract employees. However, the present research found the otherwise where PSM of contract employees greater than permanent employees of street-level bureaucracy. Therefore, the government should work up the patterns of civil service recruitment by integrating models or systems accommodating the test of competence and PSM indicators. The aim is to attract individuals who have a greater intrinsic motivation than extrinsic rewards. In addition, developing career of civil services need to ensure the dimensions of PSM, such as attraction to policy making, commitment, compassion, self-sacrifice as a pre-requisite for promotion, degree, and job title. PSM assessment should be enforced for every permanent employee promoted to a higher position. Promoting public employees into higher level should consider the results of PSM examination.

References


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